

NOTICES OF PROPOSED RULEMAKING

Unless exempted by A.R.S. § 41-1005, each agency shall begin the rulemaking process by 1st submitting to the Secretary of State's Office a Notice of Rulemaking Docket Opening followed by a Notice of Proposed Rulemaking that contains the preamble and the full text of the rules. The Secretary of State's Office publishes each Notice in the next available issue of the *Register* according to the schedule of deadlines for *Register* publication.

Under the Administrative Procedure Act (A.R.S. § 41-1001 et seq.), an agency must allow at least 30 days to elapse after the publication of the Notice of Proposed Rulemaking in the *Register* before beginning any proceedings for adoption, amendment, or repeal of any rule. A.R.S. §§ 41-1013 and 41-1022.

NOTICE OF PROPOSED RULEMAKING

TITLE 4. COMMERCE, PROFESSIONS AND OCCUPATIONS

CHAPTER 7. BOARD OF CHIROPRACTIC EXAMINERS

PREAMBLE

1. **Sections Affected**

	<u>Rulemaking Action</u>
R4-7-1001	Amend
R4-7-1002	Amend
R4-7-1003	Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statute the rules are implementing (specific):**

Authorizing statute: A.R.S. § 32-904(B)(2)
Implementing statute: A.R.S. § 32-926(B)(3)
3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name: Patrice A. Pritzl, Executive Director
Address: 5060 North 19th Avenue, Suite 416
Phoenix, Arizona 85015-3210
Telephone: (602) 255-1444
Fax: (602) 255-4289
4. **An explanation of the rule, including the agency's reasons for initiating the rule:**

The preceptorship training program was initiated in order to provide chiropractic students an opportunity to gain experience in a supervised practice setting prior to licensure. The Board proposes extensive revision of the existing rules for the following reasons: to conform the rules to the authority of the implementing statute by eliminating participation by recent unlicensed graduates who are no longer students; to remove unnecessary limitations on the procedures an extern may perform; and to release externs, preceptors and the Board from the required use of forms that are obsolete, redundant, and imprecise.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.
6. **The preliminary summary of the economic, small business, and consumer impact:**

The revised program has minimal economic, small business, and consumer impact. Participating individuals will benefit in that reporting requirements have been significantly reduced.
7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact:**

Name: Patrice A. Pritzl, Executive Director
Address: 5060 North 19th Avenue, Suite 416
Phoenix, Arizona 85015-3210
Telephone: (602) 255-1444
Fax: (602) 255-4289

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8. The time, place, and nature of the proceedings for the adoption, amendment or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

A proceeding is not scheduled. An oral proceeding on the proposed rules may be requested by writing to the following:

Board of Chiropractic Examiners
5060 North 19th Avenue, Suite 416
Phoenix, Arizona 85015

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:

None applicable.

10. Incorporation by reference and their location in the rules:

None

11. The full text of the rules as follows:

TITLE 4. COMMERCE, PROFESSIONS AND OCCUPATIONS

CHAPTER 7. BOARD OF CHIROPRACTIC EXAMINERS

ARTICLE 10. PRECEPTORSHIP TRAINING PROGRAM

R4-7-1001. Eligibility; application

R4-7-1002. Practice limitations

R4-7-1003. Regulation and Termination of the Preceptorship Program

ARTICLE 10. PRECEPTORSHIP TRAINING PROGRAM

R4-7-1001. Eligibility; application

A. A student shall: Both extern and preceptor shall submit a written application to the Board at least 45 days prior to the date the program is to begin. The application shall be submitted upon a form and in a manner prescribed by the Board and shall identify the proposed scope of the program and the eligibility of the applicants for approval.

1. Be in his or final academic year prior to receiving a degree in chiropractic, and have met all the requirements of Board approved chiropractic except clinical hours.

2. Have passed Part I of the National Board of Chiropractic Examiners exam and proved documentation that he or she is qualified to Part II of the N.B.C.E. examination.

3. Have a current application on file with the Board.

4. Submit to the Board a letter from the Dean of Academic Affairs and the Director of Clinics at the chiropractic college recommending the extern for participation in the preceptorship training program in Arizona.

5. Submit a \$75.00 filing fee.

B. An unlicensed graduate shall: The Board may approve participation by an extern who documents meeting the following criteria:

1. Submit a certified copy of his or her final chiropractic college transcript showing a date of graduation within 6 months immediately preceding the next scheduled license examination. Concurrent participation in an undergraduate or postgraduate preceptorship program offered by an accredited chiropractic college.

2. Provide documentation of having passed both Part I and Part II of the National Board examination. Submission of a written waiver of confidentiality that permits the Board access to any information, records, or documentation collected or used by the college to evaluate the extern's eligibility for or performance in the program.

3. Have a current application on file with the Board. Certificate of Attainment on Parts I and II of the examina-

tion conducted by the National Board of Chiropractic Examiners.

4. Submit to the Board a letter from the Dean of Academic Affairs and the Director of Clinics at the chiropractic college recommending the extern for participation in a preceptorship training program in Arizona. Successful completion of the coursework required by A.R.S. § 32-992.02 for practice of chiropractic specialties, if such specialties are to be included in the training program.

5. Submit Submission of a \$75.00 filing fee.

C. The Preceptor shall: The Board may approve participation for a preceptor who documents meeting the following criteria:

1. Submit a sworn affidavit stating that he or she had been practicing continuously for the immediately preceding 3 years and in Arizona for at least 1 year. Concurrent participation as a preceptor by the chiropractic college in which the extern is enrolled throughout the program.

2. Include in affidavit the fact that he or she has never been disciplined and is not currently the subject of any professional disciplinary action in any state. The preceptor shall notify the Board of any malpractice action that occurs subsequent to board approval of participation in the preceptorship training program. Submission of a written waiver of confidentiality that permits the Board access to any information, records, or documentation collected or used by the college to evaluate the preceptor's eligibility for or performance in the program.

3. Include his or her Arizona license number and year of issuance. Arizona licensure for a least 5 years preceding the date of the program is to begin and, if the program is to include practice of chiropractic specialties, certification in those specialties for at least 3 years preceding the date upon which the program is to begin.

4. Submit the name, current mailing address, birth date, and physical description of the extern. Has not been the subject of disciplinary sanction for at least 3 years preceding the application, or has not been the subject of disciplinary sanction for conduct endangering the health, welfare, and safety of the public for at least 10 years preceding the application.

5. Submit the exact location and hours which the preceptorship training program will be conducted.

6. Submit monthly reports on Form PP-4, shown as Appendix D and Form PP-5, shown as Appendix E, during the period of supervision, describing the extern's performance.

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R4-7-1002. Practice limitations

Minimum requirements of a preceptorship training program: Practice limitations. The following requirements must be met for Board approval of a preceptorship training program:

1. An extern shall not function in the program without written approval of the Board.
 2. An extern may practice in a preceptorship program until the results of the next scheduled license examination are released for a period of 6 months, whichever occurs 1st.
 3. The extern shall not adjust a patient outside the physical presence of the preceptor. The extern may practice other areas of chiropractic, except radiography and those chiropractic specialties requiring certification, as long as the preceptor is on the same premises.
 4. Written consent to any phase of chiropractic procedures by an extern shall be obtained from each patient (Form PP-6 shown in appendix F).
 5. An extern shall be identified during office hours with a badge showing the extern's title, "Extern."
 6. As a condition of participating in a preceptorship program, the preceptor must permit the Board of its authorized agent to make unannounced periodic visits to facilities to ensure that the program is being properly maintained.
- A. Under the supervision of the preceptor and commensurate with the extern's education, training, and experience, an extern may engage in the practice of health care as defined in A.R.S. § 32-925, except that an extern shall not perform any procedure defined as a chiropractic specialty requiring certification unless the extern and the preceptor have met the eligibility requirements set out above.
- B. At all times patients may be present; the extern shall be identified with a badge showing the extern's name and the title "Extern" in equal sized lettering.
- C. Prior to an extern conducting an examination of or rendering care to a patient, the preceptor shall secure from that patient a written consent to such examination or care. The written consent shall specify that the patient understands that the extern is not a licensed doctor, and that the preceptor retains respon-

sibility for quality of care. The preceptor shall maintain the signed consent as a part of the patient's file.

R4-7-1003. Regulation and Termination of the Preceptorship Program

A preceptorship training program terminates:

1. Upon notice by the Board that the extern has failed any part of the examination or upon issuance of an Arizona license to practice chiropractic.
 2. If the Board finds that the preceptor was not in the room at all time while the extern was adjusting a patient or finds that the preceptor was not on the premises at all times while the extern is in the presence of a patient.
 3. If the Board finds that either the extern or the preceptor failed to comply with R4-7-1002 or committed any of the acts specified in A.R.S. § 32-924(A).
- A. The Board, on its own initiative or upon receipt of a complaint, may investigate conduct of an extern or preceptor occurring within the program for compliance with these rules and A.R.S. § 32-924. The Board may, pursuant to A.R.S. § 32-929, obtain patient records as part of the investigation.
- B. After investigation of a complaint alleging that the conduct of the extern or preceptor may be in violation of these rules or A.R.S. § 32-924, the Board may suspend approval of the program. The Board shall promptly notify the extern, the preceptor, and the college of such suspension, the reasons therefore, and the conditions under which the suspension may be lifted.
- C. After a hearing determining that the conduct of the preceptor or the extern constituted a violation of these rules or A.R.S. § 32-924, the Board shall terminate the program and may sanction the preceptor or deny eligibility for licensure to the extern if an application for licensure has been made.
- D. Upon receipt of information to the Board that the extern or preceptor is no longer concurrently participating in a chiropractic college program, the Board shall terminate approval of the program.
- E. An extern may participate in a preceptorship program until the results of the next scheduled Part IV of the National Board of Chiropractic Examiners examination are released or for a period of 6 months, whichever occurs 1st.

NOTICE OF PROPOSED RULEMAKING

TITLE 12. NATURAL RESOURCES

CHAPTER 5. LAND DEPARTMENT

PREAMBLE

1. Sections Affected

Article 25
R12-5-2501
R12-5-2502
R12-5-2503

Rulemaking Action

New Article
New Section
New Section
New Section

2. The specific authority for the rulemaking including both the authorizing statute (general) and the statutes the rules are implementing (specific):

Authorizing statute: A.R.S. § 37-132(A)(1)

Implementing statute: A.R.S. § 37-313(B)(3)

3. The name and address of agency personnel with whom persons may communicate regarding the rule:

Name: Arlan Colton, Director
Arizona Preserve Initiative

Address: Arizona State Land Department

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1616 West Adams
Phoenix, Arizona 85007

Telephone: (602) 542-2643

FAX: (602) 542-2590

Name: Richard B. Oxford, Director
Operations Division

Address: Arizona State Land Department
1616 West Adams
Phoenix, Arizona 85007

Telephone: (602) 542-4602

FAX: (602) 542-5223

4. An explanation of the rule, including the agency's reasons for initiating the rule:

The Arizona Legislature enacted House Bill (HB) 2555 (1996) which amended A.R.S. §§ 37-211 and 37-212; amended Title 37, Chapter 2, by adding Article 4.2; and enacted HB 2303 (1997) which amended A.R.S. §§ 37-312 and 41-511.05; amended Article 4.2 by adding A.R.S. § 37-312.01; amended Title 41, Chapter 3, Article 1.1 by adding A.R.S. § 41.511.23, which collectively authorizes the State Land Commissioner to nominate certain State Trust lands as being under consideration for classification as Trust lands suitable for conservation purposes when it is in the best interest of the Trust and to consider selling or leasing trust land for conservation purposes when it is in the best interest of the Trust.

The proposed rule will outline the process by which qualified petitioners may petition the State Land Commissioner to consider classifying certain State Trust lands for conservation purposes.

5. A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:

Not applicable.

6. The preliminary summary of the economic, small business, and consumer impact:

The Department proposes to adopt the rule to facilitate the process by which interested individuals and other entities may petition the State Land Commissioner to classify certain State Trust lands as being suitable for conservation purposes when it is in the best interest of the Trust and to consider selling or leasing trust land for conservation purposes when it is in the best interest of the Trust.

The requirements of the proposed rule apply equally to each petitioner. Petitioner costs will involve individual and staff time to research state, county and local records to compile information on local economic issues, multiple use potential of the area proposed for conservation, resource production preservation, relationship to other State Trust lands, preexisting protections, benefits to the Trust, land ownership and site visits. There may be consultant costs to analyze conservation values, mineral values, or to assist in developing conservation plans.

The petitioner will be required to submit a bond in the initial amount of \$1,000. Additional bonding may be required depending on the Department's costs to process the petition. These costs, including planning costs (to determine whether reclassification is in the best interest of the Trust); noticing existing lessees of the subject property, local and regional planning authorities, adjacent property owners, affected state agencies and the public who have expressed interest in being notified; newspaper advertising and public hearings.

7. The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact statement:

Name: Arlan Colton, Director
Arizona Preserve Initiative

Address: Arizona State Land Department
1616 West Adams
Phoenix, Arizona 85007

Telephone: (602) 542-2643

FAX: (602) 542-2590

Name: Richard B. Oxford, Director
Operations Division

Address: Arizona State Land Department
1616 W. Adams
Phoenix, Arizona 85007

Telephone: (602) 542-4602

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FAX: (602) 542-5223

8. The time, place, and nature of the proceedings for the adoption, amendment, or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

No public proceeding is scheduled. A person may submit written comments to or request that an oral proceeding be held on the proposed rules by submitting their comments or a written request for hearing no later than 5 p.m., January 12, 1998, to the following persons:

Name: Arlan Colton, Director
Arizona Preserve Initiative

Address: Arizona State Land Department
1616 West Adams
Phoenix, Arizona 85007

Telephone: (602) 542-2643

FAX: (602) 542-2590

Name: Richard B. Oxford, Director
Operations Division

Address: Arizona State Land Department
1616 West Adams
Phoenix, Arizona 85007

Telephone: (602) 542-4602

FAX: (602) 542-5223

9. Any other matters prescribed by statute that are applicable to the specific agency or any specific rule or class of rules:

Not applicable.

10. Incorporations by reference and their location in the rules:

None.

11. The full text of the rules follows:

TITLE 12. NATURAL RESOURCES

CHAPTER 5. LAND DEPARTMENT

**ARTICLE 13. CLASSIFYING TRUST LANDS AS
SUITABLE FOR CONSERVATION PURPOSES**

R12-5-2501. Petition

A. A petition to Reclassify Trust Land Suitable for Conservation Purposes may be filed at the Arizona State Land Department, during regular business hours. The petition shall be made on forms provided by the Department.

B. A petitioner shall apply in a manner consistent with and only for lands considered eligible under A.R.S. § 37-311, et seq.

C. A Petitioner shall include the following information in a Petition to Reclassify Trust Land Suitable for Conservation Purposes:

1. A legal description of the land and a map that identifies the Township (T), Range (R), section, land description, acreage and county where the land is located. (Example: T1N, R3E, Section 17, SWNW, 40 acres, Maricopa County).
2. A statement of proposed conservation uses of the land.
3. A statement of why the land is suitable for conservation purposes with reference to the criteria identified in Rule R12-5-2502(A).
4. A statement of the existing surface uses on the land and how each existing use is affected both physically and economically by the proposed conservation use.
5. An identification of the local jurisdiction in which the land is located.
6. A statement of the local governing authority's comprehensive plan designation and existing zoning for the

land and how the proposed conservation use is or is not consistent with the comprehensive plan and zoning.

7. A statement of the positive and negative physical and economic impacts on the local community nearest the land.

8. A statement of who or what entity will likely manage the land if, after the land is reclassified as suitable for conservation purposes, the land is approved for lease or purchase for conservation purposes.

9. A statement of any known mineral potential, including sand and gravel, of the lands.

R12-5-2502. Reclassification

A. Criteria: Reclassification of state lands as suitable for conservation purposes must be in the best interest of the Trust as determined by the Commissioner. The Commissioner and the Conservation Advisory Committee may consider any or all of the following criteria in evaluating whether the land should be reclassified as suitable for conservation purposes:

1. Open space: Existence of substantially undisturbed open space values that make the land's conservation an asset to the community or to other developable state trust land;

2. Unique scenic beauty:

a. Existence of a natural community landmark such as a significant mountain vista;

b. Existence of scenic vistas from nearby major roadways or pathways;

3. Wildlife and vegetation;

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- a. Existence of significant vegetation or wildlife native to the region and worthy of protection;
 - b. Existence of endangered, threatened, or protected plants or endangered or threatened wildlife species;
 - c. Existence of significant stands of signature plants characteristic of that location.
 - 4. Cultural resources:
 - a. Prehistoric/historic archaeological sites;
 - b. Historic structures;
 - c. Comparative costs of mitigation, data recovery, or preservation as compared to potential revenue production of the land.
 - 5. Wildlife habitat:
 - a. Sufficient acreage and habitat quality to support populations of endangered, threatened, or other particular species;
 - b. Interconnection between the land and nearby public lands for wildlife movement;
 - c. Diversity of plant communities or biodiversity of species;
 - d. Habitat condition, whether intact or degraded;
 - e. Distance from existing or proposed roadways, utility lines, or urban development.
 - 6. Other:
 - a. Geologic and topographic features:
 - i. Existence of significant washes, slopes, or other topographic features;
 - ii. Existence of unique rock outcroppings, formations or other unusual geologic features; and
 - iii. Known soil conditions unsuitable for development purposes.
 - b. Watershed integrity: Relationship of the land to maintenance of the integrity of 1 or more watersheds.
 - c. Floodplain management: Impact of the 100-year floodplain on the land.
 - d. Surface water and groundwater:
 - i. Existence of springs or other wetlands;
 - ii. Occurrence of perennial or intermittent stream flow; and
 - iii. Potential for groundwater recharge.
 - e. Long-term viability of the land for conservation management:
 - i. Viability of the land based on its size, configuration and location for successfully conserving the resources it seeks to protect; and
 - ii. Relationship of conservation of the land to resolving wildland fire issues, particularly in the urban-wildland interface.
 - f. Local, regional or other planning considerations:
 - i. Relationship between the proposed conservation designation and adopted local and regional plans and policies; and
 - ii. Relationship of the land to other federal, state, local or private land trust preserves, holdings and plans.
 - g. Recreation:
 - i. Existence of trail-based or other low impact recreation opportunities in place or proposed; and
 - ii. Existence of direct access to or from adjacent public or private lands used for recreational purposes.
 - h. Accessibility:
 - i. Public accessibility and nature of that accessibility to the land; and
 - ii. Impact of accessibility, based on the purpose of conservation of the land;
 - i. Scientific education:
 - i. Historic use of the land for scientific research purposes; and
 - ii. Opportunities for scientific education.
 - j. Types of multiple use:
 - i. Multiple use potential of the land; and
 - ii. Impact of specific multiple uses on the land.
 - k. Resource production preservation:
 - i. Existence of grazing lands that a conservation designation might help to protect;
 - ii. Existence of prime agriculture areas that a conservation designation might help to protect; and
 - iii. Protection of the resource production component (such as grazing, agricultural, mining, and timber) of the local or regional economy.
 - l. Relationship to other state trust lands:
 - i. Proximity to other state trust lands;
 - ii. Development capability of adjacent state trust lands; and
 - iii. Likely timing of development activity on adjacent state trust lands.
 - m. Pre-existing protections: Existence of any federal, state, or local laws requiring protection by existing lessee of proposed conservation values.
 - n. Tourism: Impact on local or regional tourism.
 - o. Benefit to the Trust: Whether and for what reason reclassification is in the best interest of the Trust.
- B. Multiple Petitions:** If multiple petitions are received and the Commissioner reclassifies the land, the Commissioner may reclassify the land with the conservation purposes stated in 1 or in all of the petitions, or the Commissioner may choose not to state a conservation purpose.
- C. Management Plan:** Upon reclassification, the Commissioner may require a party to submit a management plan to allow existing and conservation uses to be coordinated in a manner that will protect both existing uses and conservation and open space values.
- R12-5-2503. Bond**
- A.** Under A.R.S. § 37-312(D), a petitioner shall submit a bond in an initial amount of \$1,000 with a Petition to Reclassify Trust Land Suitable for Conservation Purposes. The bond shall be in the form of a surety bond or cashier's check. The State Land Commissioner may require additional bonding under A.R.S. § 37-312 if the processing costs of the petition are estimated to exceed the initial bond amount based on the following factors:
- 1. Planning Costs: In determining whether reclassification is in the best interest of the Trust, planning involves review, consideration, and evaluation of:
 - a. Evidence and testimony presented at public hearing;
 - b. Physical and economic impact on other land owned or controlled by the current lessee and on the local community;
 - c. Existing holding leases, existing planning permits, and development plans in progress;
 - d. Input from local planning and zoning agencies and regional planning authorities;
 - e. Mineral potential, including sand and gravel;

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- f. Consistency with the enabling act, the State Constitution, and Arizona Revised Statutes.
2. Notice: Development and mailing of notice of intent to classify lands suitable for conservation purposes and notice of public hearing to:
 - a. Existing lessees;
 - b. Local planning and zoning agencies and regional planning authorities;
 - c. Property owners within 300 feet of the land;
 - d. Persons who have requested notice of reclassification of lands suitable for conservation under § 37-311, et seq., with the Department;
 - e. Affected state agencies.
3. Advertisement: Notice of public hearing for 6 publications in a newspaper of general circulation in the county where the lands are located.
4. Public Hearing: Receipt and processing of oral and written testimony regarding the proposed reclassification including, but not limited to, review, consideration, and evaluation of testimony, as well as the costs of meeting facility and equipment rental.
- B. Upon reclassification of all or a portion of the lands as suitable for conservation purposes, the initial bond and any additional bond amounts will be forfeited to the state under A.R.S. § 37-312(D).

NOTICE OF PROPOSED RULEMAKING

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 3. ARIZONA STATE LOTTERY COMMISSION

PREAMBLE

1. **Sections Affected**
R19-3-908
- Rulemaking Action**
Amend
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statute the rules are implementing (specific):**
Authorizing statute: A.R.S. § 5-504(B)
Implementing statute: A.R.S. § 5-513(A)(3)(c)
3. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**
Name: Geoffrey Gonsler, Executive Director
Address: 4740 East University
Phoenix, Arizona 85034
Telephone: (602) 921-4514
Fax: (602) 921-4488
4. **An explanation of the rule, including the agency's reasons for initiating the rule:**
R19-3-901 through R19-3-912 sets forth provisions unique to the conduct of the Arizona Lottery's on-line games. These rules explain the common components of on-line games: game profiles, how to play an on-line game, ticket characteristics and restrictions, drawings, ticket ownership and responsibilities, how to identify a winning ticket, the procedures required to claim prizes and the claim period, ticket validation requirements, prize payments, and disputes concerning a ticket. This amendment will implement the provisions of A.R.S. § 5-513(A)(3)(c), which allows the Arizona Lottery to determine and collect a fee to defray the expenses incurred by the agency in processing the assignment of a prize.
5. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**
Not applicable.
6. **The preliminary summary of the economic, small business, and consumer impact:**
These rules allow the Lottery to introduce new on-line games and modify existing on-line games in a more timely manner, thus providing the State and retailers with a potential increase in sales revenues. This amendment implements statutory authority to collect fees reimbursing the Lottery for costs associated with processing requests by Lottery winners who sell their prize. The fee will have a significant positive effect on Lottery expenses and a negligible effect on the companies that will pay the fee..
7. **The name and address of agency personnel with whom persons may communicate regarding the accuracy of the economic, small business, and consumer impact:**
Name: Geoffrey Gonsler, Executive Director
Address: 4740 East University
Phoenix, Arizona 85034
Telephone: (602) 921-4514
Fax: (602) 921-4488

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8. The time, place, and nature of the proceedings for the adoption, amendment or repeal of the rule or, if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Date: January 16, 1998

Time: 10 a.m.

Location: Arizona State Lottery
4740 East University
Phoenix, Arizona

Nature: Oral Proceeding (Close of the record is 5 p.m., MST, Thursday, January 15, 1998, for written comments and at the end of the oral proceeding for verbal comments.)

9. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
None applicable.

10. Incorporation by reference and their location in the rules:
None

11. The full text of the rules as follows:

TITLE 19. ALCOHOL, HORSE AND DOG RACING, LOTTERY, AND GAMING

CHAPTER 3. ARIZONA STATE LOTTERY COMMISSION

**ARTICLE 9. DESIGN AND OPERATION OF ON-LINE
GAMES**

Section

R19-3-908. Procedure for Claiming Prizes

**ARTICLE 9. DESIGN AND OPERATION OF ON-LINE
GAMES**

R19-3-908. Procedure for Claiming Prizes

- A. To claim a prize of up to and including \$599, the claimant shall present the signed ticket to any participating on-line retailer. The retailer shall pay the claimant provided that:
1. All of the ticket validation criteria in R19-3-907 have been satisfied; and
 2. A proper validation ticket, which is an authorization to pay, has been issued by the terminal.
- B. To claim a prize that the retailer does not validate or is not authorized to pay, including all prizes \$600 or more, the claimant shall submit a claim form, available from any retailer, and the ticket to the Lottery. If the claim is:

1. Verified and validated by the Lottery as a winning ticket, the Lottery shall make payment of the amount due to the claimant, less any authorized debt set-off amounts.
 2. Denied by the Lottery, the claimant shall be notified within 15 days from the day the claim is received in the Lottery office.
- C. If a prize winner dies prior to receiving full payment, the Lottery shall pay all remaining prize money to the prize winner's beneficiary or to any person designated by an appropriate judicial order.
- D. If a prize winner assigns the remainder of any annuity, or a portion of the annuity, pursuant to an appropriate judicial order under the provisions of A.R.S. § 5-513, the prize winner shall pay the Arizona Lottery \$1,000 per assigned prize within 15 calendar days of court approval of the assignment.
- ~~D~~ E. The Lottery is discharged of all liability upon payment of the prize money.
- ~~E~~ F. Payment of prize money shall not be accelerated ahead of its normal date of payment.